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C O N F I D E N T I A L SECTION 01 OF 02 MUNICH 000351

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TAGS: [PGOV](#) [INRB](#) [GM](#)

SUBJECT: GERMANY/BAVARIAN POLITICS: NEW BAVARIAN POLITICS  
AFFECTS MUNICH AND BERLIN

REF: A. MUNICH 331  
[1](#)B. MUNICH 322  
[1](#)C. MUNICH 319

Classified By: Acting Consul General Kathryn Crockart for reasons 1.4 (b) and (d)

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SUMMARY  
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[1](#)1. (C) Horst Seehofer (Christian Social Union - CSU) became Bavaria's new Minister President October 27, leaving his position as Federal Agriculture Minister to lead the first Bavarian coalition in 46 years. CSU leadership figures promised a more independent CSU, which could present challenges to Chancellor Merkel. Bundestag member Karl-Theodor zu Guttenberg said the CSU is ready to warn its sister Christian Democratic Party (CDU) that the CSU "wants to be more than a lousy copy of the CDU." Seehofer told his party cohorts in Munich that he was not ready to sacrifice CSU principles on the altar of a grand coalition in Berlin and warned about "any exaggerated readiness for compromise." Closer to home, the coalition pact in Bavaria reflects real CSU compromises with the FDP, especially on citizens' rights to privacy, integration, and education. Seehofer's election is seen as a needed changing of the guard in Munich designed to help the CSU remain a national force in German politics but it falls short of a generational change. His successor as Federal Agriculture Minister is expected to be announced by the end of the week and could lead to a minor reshuffle in the Federal Cabinet. Zu Guttenberg may be a candidate to replace Seehofer in the federal cabinet. End Summary.

Exit Good Old Boys and Good Riddance  
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[1](#)2. (C) Horst Seehofer (59) was elected new CSU party chairman October 26 with 90.3 percent of the vote and, the next day, the Bavarian Landtag elected him as Minister President, with 104 out of 184 votes. He said the current CSU/FDP coalition is merely an episode on the CSU's way back to an absolute majority in five years. He insisted that voters gave the CSU a clear mandate even if they required them to rule in a coalition and he dismissed competition from the SPD (Social Democratic Party of Germany) as negligible. The CSU would have to dry up support for the FDP and the Independents by adopting their issues wherever possible, he suggested. He is expected to present his new cabinet on October 30 and the public is hoping to see new, younger and more female faces.

[1](#)3. (C) Seehofer faces the major challenge of reorienting a

weakened CSU better to reflect Bavaria's modern demographics.

A mid-ranking civil servant at the Ministry of Environment assessed to Poloff October 27 that the CSU "had lost touch with the voters and especially the women in Bavaria," adding that "it was time for the good-old-boys to go." The CSU has a medium-term challenge to regroup in time to win seats in the June 2009 European Parliament elections (for which the CSU must win 5 percent of the national vote). Failure in the EP elections could strengthen the insular tendencies of the CSU and complicate the CDU-CSU partnership. At the same time, the FDP will likely benefit from its new regional prominence and have better chances both in the European Parliament and national elections in the Summer of 2009.

CSU to Angela Merkel: No More Mister Nice Guy  
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¶4. (C) Bundestag Representative Karl-Theodor zu Guttenberg (CSU), one of those fresh faces and leader of the foreign policy committee of the CSU at the national level, confirmed this movement for change. He said that the CSU should strive to raise conservative topics and themes that the CDU cannot and the CSU should take care to do so with its "characteristic reasonableness." Echoing this sentiment, Seehofer has said he would, in his new capacity, remain very active in Berlin. The CSU rank and file and local commentators understood his statement as a promise to sharpen the CSU profile to the detriment of the sister party CDU.

¶5. (C) Some Consulate contacts see the Bavarian CSU/FDP coalition as a test-run for the 2009 national elections that

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could complicate the work of the federal Grand Coalition in the short term. Inheritance tax reform is one issue where the FDP and CSU agree and this could cause problems for the national Grand Coalition. Another is health reform. The CSU and FDP would push for a Bundesrat initiative to change the parameters of the new health fund next year should it disproportionately burden Bavaria. At the same time, Seehofer has to be careful since he depends on help from Berlin to overcome the BayernLB bank problems, which will also negatively affect planned popular investments in education, research and infrastructure.

Bavaria Still Conservative, Now with Liberal Accents  
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¶6. (SBU) The conservative camp of CSU, FDP, and Independents (Freie Waehler) command almost a two-thirds majority in Bavaria, roughly equal to what the CSU had before it lost 17 points in the recent elections. Despite CSU insistence that they controlled the coalition negotiation process, the agreement had FDP finger prints all over it. FDP members proudly told us they felt that the 43-percent party CSU had dealt with the 8-percent party FDP on equal terms, something inconceivable a few months earlier. FDP state chairwoman Sabine Leutheusser-Schnarrenberger, former Federal Minister of Justice and deputy chairperson of the national FDP caucus, was successful in getting the CSU to pay more attention to FDP civil rights issues. The CSU conceded tighter restrictions on domestic surveillance, agreed to establish the position of an integration commissioner, and undertook to support education reforms.

Replacing Seehofer in Berlin Could Affect Cabinet  
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¶7. (C) Seehofer's successor as Federal Agriculture Minister should be announced by the end of this week. Two names are currently on the table in Bavaria: Agriculture State Secretary Gert Mueller and Bundestag representative Karl-Theodor zu Guttenberg, both CSU. Guttenberg told the Consul General recently in private that he would prefer to remain in his current role dealing with foreign policy; he

does not "see himself as a farmer." However, people also tell us that the up-and-comer zu Guttenberg could be given the Ministerial portfolio as a way of grooming him for greater responsibilities in the future. Finally, some speculate that the departure of Seehofer could open the way to a reshuffle of the Federal cabinet where the CSU could take a portfolio other than Agriculture.

Comment

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¶18. (C) The CSU has lost its almost instinctive ability to overcome crisis and rejuvenate itself while remaining dominant. Pragmatism rather than confidence led to the election of Horst Seehofer; he finished second in the race for the party chairmanship just last year. His style will be in sharp contrast to the autocratic ways of former Minister President Edmund Stoiber, and modern Bavaria can only profit.

The change of government in Bavaria may increase the developing friction in Chancellor Merkel's Grand Coalition, as the CSU attempts to demonstrate its independence. In the longer term, a successful CSU/FDP coalition government in Bavaria could teach the CSU the 21st century tricks it must have to fulfill its aspirations of relevance at the regional, national and European level.

¶19. (U) This report has been coordinated with Embassy Berlin.

¶10. (U) Track reporting from Munich at  
<http://www.intelink.sgov.gov/wiki/Portal:Germ> any.  
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